



King County

**Metropolitan King County Council
Government Accountability and Oversight Committee**

Staff Report

Agenda item No: **4**
Ordinance No: **2009-0077**

Date: **February 11, 2009**
Prepared by: **Marilyn Cope**

SUBJECT

Proposed Ordinance 2009-0077 would authorize the Executive to enter into an interlocal agreement with the City of Enumclaw, requiring the city to operate and manage the 2009 King County Fair.

SUMMARY

Proposed Ordinance 2009-0077 would transfer responsibility for the operations and management of the 2009 King County Fair to the City of Enumclaw. The interlocal agreement attached to Proposed Ordinance 2009-0077 includes the following key provisions:

1. King County would provide \$311,203 in one-time funds to the City of Enumclaw. This fund transfer is intended to cover the subsidized cost of operating the Fair.
2. King County would relinquish its right to 16 days of annual access to the fairgrounds free of charge.
3. King County would transfer all personal property related to the operations and management of the Fair to the city of Enumclaw.
4. King County Code is amended to eliminate references to the county's codified responsibility for the provision of the annual Fair.

BACKGROUND

The King County Fair was established in 1863 and has since served as a celebration of the county's agricultural heritage. The Fair has been held annually at the Fairgrounds in Enumclaw since 1965.

In response to a fiscal crisis, the Council approved Ordinance 14776 on October 13, 2003, directing the Parks and Recreation Division to develop the Fairgrounds Business Plan. The Fairgrounds Business Plan required greater accounting and transparency of Fairgrounds revenues and expenditures and set a goal of financial sustainability for the

Fairgrounds (and the Fair) by 2006. As part of the Fairgrounds Business Plan, a Fairgrounds Advisory Board was also established to make recommendations on how to improve the Fair and Fairgrounds for financial sustainability.

On October 30, 2006, the Council approved Ordinance 15634, which transferred the Fairground facilities to Enumclaw. The transfer was intended to reduce the long-term general fund subsidy to the Fairgrounds, which was in need of repair. The county had not been able to generate enough revenues to cover the cost of operating (or repairing) the Fairgrounds and Enumclaw was interested in acquiring and improving the Fairgrounds as part of a broader plan to market the city as an equestrian destination.

As part of the Fairgrounds transfer, the Council approved \$1.0M in general funds and \$1.0M in CIP funds for Enumclaw to improve the facility and assist in the transition of operations. King County has continued to operate the annual Fair at the Enumclaw Fairgrounds, though Fair operations have failed to meet the goal of financial sustainability.

The Executive's Proposed 2009 Budget called for the elimination of the King County Fair. However, the Council added the Fair back into the 2009 Adopted Budget with a General Fund subsidy of \$315,000. In addition, the Council included a budget proviso, and stand alone motion (12889) requesting the formation of a Fair Task Force to develop a plan to improve Fair attractions, attendance and full cost recovery for transmittal by August 1, 2009.

ANALYSIS

Interlocal Agreement

Proposed Ordinance 2009-0077 would transfer responsibility for the operations and management of the 2009 King County Fair. The interlocal agreement attached to Proposed Ordinance 2009-0077 includes the following provisions:

- I. **Funding:** King County would provide \$311,203 in one-time funds to the City of Enumclaw. This fund transfer is intended to cover the subsidized cost of operating the Fair. The \$311,203 fund transfer would be derived from an existing General Fund contribution to the Parks and Recreation Division's 2009 budget. These funds are approximately equivalent to the \$315,000 the Council added to the Parks budget as the anticipated Fair subsidy, were the Fair operated and managed by the Parks and Recreation Division. Enumclaw would also be eligible to receive the State of Washington's annual contribution of \$37,000 to the Fair.

- II. **Access to Fairgrounds:** King County would relinquish its annual right to 16 days of access to the fairgrounds free of charge. This ongoing access is provided for in a 10 year lease agreement between King County and Enumclaw (Ordinance 15634). King County would no longer have any future rights to the Enumclaw Fairgrounds. If King County were to return to operations and management of the Fair in 2010, King County would have to locate an appropriate site for the event

and potentially be subject to rental fees dependent on the location.

- III. **Personal Property Associated with the Fair:** King County would transfer all personal property related to the operations and management of the Fair to Enumclaw. According to Executive Staff, most of the personal property associated with the fair consists of display cases, fencing, cages, tables, and other items to allow 4-H members to showcase animals and projects. In addition, there are items such as signage, fans, and cash registers. The Executive has not conducted an appraisal of the value of the personal property associated with the Fair.
- IV. **Administrative Materials:** King County would provide Enumclaw with administrative materials related to the Fair, including files, templates, vendor and employee lists, marketing materials, etc. The county would not provide materials that would breach licensing agreements, such as software and other intellectual property.
- V. **Fair Production:** The City of Enumclaw would bear sole responsibility for the Fair's decision making, planning, operations and management for 2009. Enumclaw agrees to provide "suitable competitions for 4-H and Future Farmers of America ("FFA"), sufficient to allow 4-H and FFA participants to compete in State competitions at the Puyallup Fair". Enumclaw also agrees to refer to the Fair as "The King County Fair, produced by the City of Enumclaw".
- VI. **Equal Access:** Enumclaw would provide equal access to the Fair by all residents of King County.
- VII. **Risk Management:** The interlocal agreement provides standard legal provisions to protect and indemnify the County of risks associated with the Fair in 2009. Enumclaw also agrees to carry a minimum insurance aggregate limit of \$2.0M.

King County Code

King County Code is amended to eliminate references to the county's codified responsibility for the provision of the annual Fair and eliminates the existing Fairgrounds Board (not to be confused with the new Fair Task Force, whose body of work will conclude in August of 2009).

City of Enumclaw Support

On January 26, 2009, the Enumclaw City Council voted 5-2 in support of the interlocal agreement attached to Proposed Ordinance 2009-0077. If approved by the King County Council, the City of Enumclaw plans to hold a three day Fair at a total cost of approximately \$434,000.

King County Fair Staffing

The King County Fair has historically been supported by 2.67 FTEs. According to

Executive Staff, 1.0 FTE has been working on loan and will return to duties as a business and finance officer, 1.0 FTE is vacant, and the remaining 0.67 FTE is an administrative position. The staff holding the 0.67 FTE position will work for the City of Enumclaw to assist with the Fair.

Public Hearing

Proposed Ordinance 2009-0077 may require a public hearing. Once the legislation is reported out of GAO to the full Council, the Clerk's Office will schedule a hearing if appropriate.

AMENDMENT

An amendment has been prepared to clarify that the \$311,203 in subsidized support for the 2009 Fair is to be derived from General Funds as provided by the Council to the Parks and Recreation Division's 2009 Adopted Budget. Parks Levy funds are not to be used for the subsidy of the Fair.

ATTACHMENTS

1. Amendment to Proposed Ordinance 2009-0077
2. Proposed Ordinance 2009-0077 with attached interlocal agreement
3. Fiscal Note (as transmitted)
4. Transmittal letter, dated January 28, 2009
5. Fiscal Note, dated February 11, 2009 (as revised by Council Staff)

INVITED

1. Grover Cleveland, Government Affairs Officer, Department of Natural Resources and Parks
2. Andrew Marcuse, Legal Counsel, Prosecuting Attorney's Office
3. John Wise, Mayor, City of Enumclaw

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2/11/09

Mwc/br

Sponsor: Reagan Dunn

Proposed No.: 2009-0077

1 **AMENDMENT TO PROPOSED ORDINANCE 2009-0077, VERSION 1**

2 On page 3, line 62, after "with "one-time" funding" insert "from a general fund transfer to
3 the parks and recreation division"

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5 **EFFECT:** Clarifies that the funding provided to be provided to the City of Enumclaw
6 for the Fair subsidy should be derived from General Funds. Note: Parks Levy Funds are
7 not an appropriate form of support for the Fair.



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

January 29, 2009

Ordinance

Proposed No. 2009-0077.1

Sponsors Dunn

1 AN ORDINANCE regarding the King County fair;
 2 authorizing the King County executive to execute an
 3 interlocal agreement with the city of Enumclaw regarding
 4 the King County fair; and amending Ordinance 11955,
 5 Section 9, as amended, and K.C.C. 2.16.045 and repealing
 6 Ordinance 12075, Section 5, as amended, and K.C.C.
 7 2.32.040 and Ordinance 1128 (part), as amended, and
 8 K.C.C. 2.32.050.

9
10 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

11 SECTION 1. Findings:

12 A. In 2002, the King County parks and recreation division of the department of
 13 natural resources and parks faced significant financial challenges. That year, the division
 14 faced a major fiscal crisis that required a nine million dollar reduction in the division's
 15 2003 budget, a thirty-five percent cut. To address that crisis, the county convened the
 16 metropolitan parks task force to make recommendations on ways to transition the parks
 17 and recreation division to a more stable fiscal future.

18 B. The metropolitan parks task force recommended that the county transfer active
19 recreation facilities to cities and focus primarily on providing regional trails and natural
20 lands. Consistent with the metropolitan parks task force recommendations, all county
21 pools located within cities were transferred to those cities. In addition, the Enumclaw
22 golf course was transferred to the city.

23 C. The metropolitan parks task force found that: "The fiscal crisis facing the
24 County demands a much stricter approach to selecting what services the County will and
25 will not provide. The County parks system can no longer afford to be all things to all
26 people." As a result, the metropolitan parks task force concluded that the county must
27 "limit its involvement in providing local recreation services, particularly within cities."

28 D. The metropolitan parks task force further found that: "The provision of active
29 recreation services and programming must be fundamentally changed, moving away from
30 the County's operation of facilities and programs toward developing new partnerships and
31 finding alternative service providers that can meet public needs, but at less or no ongoing
32 taxpayer expense related to the maintenance of such facilities."

33 E. In January 2007, to support the city's efforts to develop a first-class equestrian
34 facility in the city and to reduce the county's ongoing expenses related to the King
35 County fairgrounds, the county transferred the fairgrounds to the city without charge in a
36 transaction that also provided the city with two million dollars in cash. In connection
37 with the transfer, the city and the county executed a ten year lease ("the lease"), which
38 permitted the county to hold the King County fair ("the fair") at the fairgrounds. The
39 former fairgrounds facility is now known as the Enumclaw exposition center. In 2007

Ordinance

40 and 2008, the county held the fair at the Enumclaw exposition center pursuant to the
41 lease.

42 F. The county operates the fair pursuant to chapter 36.37 RCW. The fair is a
43 long-standing event that provides important educational and recreational opportunities for
44 youth and generates significant revenue for the city and its businesses. However, with
45 the transition of the King County parks and recreation division away from the provision
46 of recreational programs, the fair is one of the last remaining recreation programs that the
47 county continues to operate.

48 G. The Enumclaw exposition center is the centerpiece of the city's efforts to
49 promote equestrian tourism in the city. The city is working to develop the Enumclaw
50 exposition center into a major equestrian facility to provide additional tourism revenue to
51 the city and its residents and businesses. Studies that the city has conducted have
52 indicated that the Enumclaw exposition center should serve as a multi-purpose facility
53 hosting other major events in addition to equestrian shows and competitions.

54 H. The county's continuing fiscal challenges have limited the county's ability to
55 devote resources to the fair. Despite declining attendance, the fair remains one of the
56 largest annual events at the Enumclaw exposition center.

57 I. The county faced another major fiscal crisis for 2009 with an estimated
58 revenue shortfall of more than ninety million dollars. This unprecedented shortfall
59 required reductions in services throughout county government. As a result, the King
60 County fair was not included in the county executive's proposed 2009 budget.

61 J. The county council restored the King County fair in the 2009 county budget
62 with "one-time" funding. However, without additional revenue, the county expects to

63 face even greater shortfalls in future years. In connection with the 2009 budget, the
64 council also passed Motion 12889, directing the county executive to appoint a task force
65 to provide recommendations on ways to make the fair sustainable.

66 K. Given future county financial projections, it does not appear that the county
67 can continue to produce the fair. However, the city has expressed an interest in
68 producing the fair in 2009 as a way to continue the fair in 2009 while the task force
69 recommendations are developed.

70 L. It is in the best interests of the public, the county, and the city for the fair to
71 continue at the Enumclaw exposition center, and the city has had significant success in
72 owning and operating the Enumclaw exposition center, including increased rentals and
73 facility enhancements.

74 M. RCW 36.37.040 authorizes the county council to employ "persons" to assist
75 in the management of fairs or to designate a nonprofit corporation as the exclusive
76 agency to operate and manage such fairs. Pursuant to RCW 1.16.080(1) and Article XI,
77 Section 10, of the Washington State Constitution, the city is a "person" and a not-for-
78 profit municipal corporation under state law.

79 N. RCW 36.01.010 authorizes the county to make any contracts as may be
80 necessary to the exercise of its corporate or administrative powers.

81 O. As a code city organized under Title 35A RCW, the city has all of the powers
82 and authority afforded a municipal corporation under Washington state law, including the
83 power to contract, the power to enter into interlocal agreements under chapter 39.34
84 RCW, and the power to operate recreational programs and facilities for benefit of the
85 public.

86 P. Article 1, Section 120, of the King County Charter authorizes the county, in
87 the exercise of its powers and the performance of its functions and services, to agree by
88 contract to participate jointly in or in cooperation with any one or more other
89 governments and to share the costs and responsibilities of such powers, functions and
90 services.

91 Q. The Interlocal Cooperation Act, chapter 39.34 RCW, authorizes local
92 governmental units to make the most efficient use of their powers by enabling them to
93 cooperate with other localities on a basis of mutual advantage and thereby to provide
94 services and facilities in a manner and pursuant to forms of governmental organization
95 that will accord best with geographic, economic, population and other factors influencing
96 the needs and development of local communities.

97 SECTION 2. The county executive is hereby authorized to execute an interlocal
98 agreement, substantially in the form of Attachment A to this ordinance, with the city of
99 Enumclaw regarding the King County fair.

100 SECTION 3. Ordinance 11955, Section 9, as amended, and K.C.C. 2.16.045 are
101 each hereby amended to read as follows:

102 A. The department of natural resources and parks is responsible to manage and
103 be fiscally accountable for the wastewater treatment division, water and land resources
104 division, solid waste division and parks and recreation division. The department shall
105 manage, design, develop, operate, maintain and enhance the geographic information
106 systems for the county and other contracting agencies. The department shall administer
107 and implement the requirements of the federal Clean Water Act, federal Endangered
108 Species Act and other federal and state laws and regulations related to those

109 requirements. The department shall perform the metropolitan water pollution abatement
110 function referred to in this section as "the water quality program," as set forth in chapter
111 35.58 RCW, K.C.C. Title 28 and other federal and state laws and regulations applicable
112 to that function, although financial planning for and administration of the water quality
113 program shall be conducted consistent with financial policies approved by the council.
114 The department shall coordinate the county's National Pollutant Discharge Elimination
115 System ("NPDES") municipal stormwater permit program. The department shall provide
116 the support to the county's participation in the regional water supply planning process
117 including the development of reclaimed water and the review of local utility district plans
118 for conformance with county plans and policies and shall participate in the process of
119 preparing coordinated water system plans to ensure conformance with county plans and
120 policies. The department shall provide for the active and passive recreational needs of
121 the region, consistent with the mission of the parks and recreation division described in
122 subsection E.1 of this section. The department shall designate as natural resource lands
123 those county-owned lands that serve important natural resource functions, including, but
124 not limited to, benefiting and protecting natural drainage systems, drainage basins, flood
125 control systems, ecosystems, water quality, ground water, fisheries and wildlife habitat
126 and other natural resource purposes. The department shall act to ensure integration of
127 environmental programs across utility and resource functions and to balance stewardship
128 with economic development issues. To ensure integration and balanced stewardship
129 through the director's office the department shall oversee strategic planning using staff
130 resources budgeted in the department's divisions. Strategic planning may include, but
131 not be limited to: integration of land and water resource protection; coordination of

Ordinance

132 groundwater, water reuse and water supply plan approval; development of new funding
133 approaches for resource protection; establishment of new partnerships with businesses,
134 community organizations and citizens; and better coordination of sewerage and flood
135 control facilities to prevent water quality degradation.

136 B.1. The duties of the waste water treatment division shall include the following:

137 a. administering the functions and programs related to the operation,
138 maintenance, construction, repair, replacement and improvement of the metropolitan
139 sewerage system and its financing;

140 b. administering the county's sewage disposal agreements with cities and
141 special districts;

142 c. providing planning for the water quality capital program;

143 d. providing design, engineering and construction management services related
144 to the water quality capital programs including new facilities development and
145 maintenance of the existing infrastructure;

146 e. providing support services such as project management, environmental
147 review, permit and right-of-way acquisitions, scheduling and project control; and

148 f. regulating industrial discharges into the metropolitan sewerage system.

149 2. The council may assign responsibility for services ancillary to and in support
150 of the operation and maintenance of the metropolitan water pollution abatement system
151 under chapter 35.58 RCW, including, but not limited to, human resources, accounting,
152 budgeting, finance, engineering, fleet administration, maintenance, laboratory,
153 monitoring, inspection and planning, as it determines appropriate.

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- C. The duties of the water and land resources division shall include the following:
1. Proposing or updating, or both, and implementing adopted policies, plans and programs relating to water and land resources, open space and other natural resources that protect fisheries, natural resources, water quality and ground water and that solve and prevent drainage problems;
 2. Responding to major river floods and addressing drainage problems in unincorporated portions of the county as provided in K.C.C. Title 9, the Surface Water Management Program, in K.C.C. chapter 20.12, the King County Flood Hazard Reduction Plan Policies and other policies established by the council;
 3. Within available resources, maintaining major river channels, and surface and storm drainage systems and lands to minimize flood hazards and protect fisheries resources, drainage systems and lands, and water quality;
 4. Providing coordination and technical assistance within the county and other governments to assist in setting and implementing priorities for water and land resources, including sample collection, laboratory services, monitoring, analysis and other activities to protect, enhance and evaluate the quality of land, habitat and water resources in the county;
 5. Planning the surface water management capital program, providing design, engineering and construction management services related to the surface water management capital program including new facilities development and maintenance of the existing infrastructure and providing support services such as project management,

176 environmental review, permit and right-of-way acquisitions, scheduling and project
177 control;

178 6. Preparing standards for storm water management facilities that are
179 constructed as part of land development;

180 7. Providing technical assistance and education to businesses and the general
181 public to encourage environmental stewardship;

182 8. Implementing the county park, open space, trails, agriculture, forestry, and
183 other natural resources acquisition programs, including planning, site selection,
184 financing, acquisition, project budget management and purchasing fee and less than fee
185 interests;

186 9. Monitoring and protecting the county's development rights interests related to
187 agricultural lands;

188 10. Consulting in the preparation of management plans for protection and use of
189 the natural resource values of county owned lands, including natural resource lands,
190 dedicated and deeded open space lands and lands acquired by the county as a condition of
191 land development approval, and consulting with the parks and recreation division the
192 appropriate means to execute such management plans;

193 11. The office of rural and resource lands shall be a distinct functional unit of
194 the division reporting directly to the water and land resources division manager. The
195 office shall plan, manage and be responsible for administering the county's rural and
196 resource lands programs including, but not limited to, agriculture, farmlands preservation,
197 current use taxation programs, forestry, noxious weeds, terrestrial wildlife and habitat,
198 rural economic development, and encouraging environmental stewardship; and

199 12. Planning, prioritizing, seeking funding for, designing and implementing
200 restoration projects on natural resource lands, dedicated and deeded open space lands and
201 lands acquired by the county as a condition of land development approval in coordination
202 with the parks and recreation division.

203 D. The duties of the solid waste division shall include the following:

204 1. Managing and operating the county's comprehensive solid waste program on
205 a self-supporting basis;

206 2. Administering the county's solid waste interlocal agreements with cities and
207 towns;

208 3. Diverting as much material as possible from disposal in a manner that
209 reduces the overall costs of solid waste management to county residents and businesses,
210 conserves resources, protects the environment and strengthens the county's economy;

211 4. Managing and being accountable for all transfer station operations and
212 landfills, as well as the transportation of waste between county facilities;

213 5. Procuring and maintaining all capital and operating equipment specific to the
214 solid waste function;

215 6. Providing planning, design, engineering and construction management
216 services related to the solid waste capital program including new facilities development
217 and maintenance of existing infrastructure;

218 7. Providing support services such as project management, environmental
219 review, permit acquisitions, scheduling and project control; and

220 8. Actively pursuing all revenue sources in an effort to maintain the lowest
221 possible rate structure for the benefit of county residents.

222 E. The duties of the parks and recreation division shall include the following:

223 1. Carrying out the county's parks and recreation division mission, which is to
224 provide regional trails, regional passive parks, regional resource and ecological lands and
225 regional active recreation facilities, rural parks and local unincorporated area parks within
226 the urban growth boundary until annexed, by employing entrepreneurial strategies that
227 raise revenues to support park operations and facilitating agreements with other
228 jurisdictions and entities to provide for recreational services and other activities;

229 2. Proposing and implementing adopted policies, plans and programs related to
230 the provision of regional and rural parks and recreation facilities and programs and
231 natural resource lands in King County and local parks in the unincorporated portion of
232 King County within the urban growth boundary until those areas are annexed;

233 3. Within available resources, managing, operating and maintaining or
234 facilitating the management, operation and maintenance of the county parks and
235 recreation facilities;

236 4. Within available resources, maintaining, restoring or facilitating the
237 maintenance of regional resource and ecological lands in consultation with the water and
238 land resources division;

239 5. Monitoring and protecting the county's real property and development rights
240 interests acquired through the conservation futures and other open space and natural
241 resource programs, with the exception of development rights on agricultural lands,
242 ensuring to the greatest extent practicable that subsequent county land use policies remain
243 compatible with the acquired interests;

244 6. Preparing and implementing in consultation with the water and land resources
245 division the management plans for protection and use of the natural resource values of
246 county owned lands, including natural resource lands, dedicated and deeded open space
247 lands and lands acquired by the county as a condition of land development approval, and
248 determining appropriate means to execute those management plans;

249 7. Administering, operating and maintaining those lands designated as natural
250 resource lands, using any work forces as appropriate;

251 8. Developing and maintaining an operational master plan and develop and
252 monitoring a capital improvement plan as defined in K.C.C. chapter 4.04;

253 9. Within available resources, developing and facilitating agreements for the
254 development of specific active park and recreation facilities;

255 10. Coordinating with other departments and divisions as appropriate in the
256 preparation of grant applications for park and open space acquisition, development and
257 operations;

258 11. Developing, managing, or facilitating agreements for the provision of
259 recreational programs; and

260 12. Facilitating programs that promote the safe enjoyment of county-owned
261 swimming pools and guarded swim beaches(, and

262 ~~13. Planning, organizing, scheduling and administering the annual King County~~
263 ~~fair)).~~

264

Ordinance

265 SECTION 4. Ordinance 12075, Section 5, as amended, and K.C.C. 2.32.040 and
266 Ordinance 1128 (part), as amended, and K.C.C. 2.32.050 are each hereby repealed.
267

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Dow Constantine, Chair

ATTEST:

Anne Noris, Clerk of the Council

APPROVED this ____ day of _____, _____.

Ron Sims, County Executive

Attachments A. Interlocal Agreement between King County and the City of Enumclaw regarding
the King County Fair

INTERLOCAL AGREEMENT BETWEEN
KING COUNTY AND
THE CITY OF ENUMCLAW
REGARDING THE KING COUNTY FAIR 2009-077

This Interlocal Agreement is made on this ___ day of _____, 2009, by and between the City of Enumclaw ("City"), a code city with a mayor-council form of government, organized under RCW Title 35A; and King County ("County"), a home rule charter county and political subdivision of the State of Washington.

BACKGROUND

1. In 2002, the King County Parks and Recreation Division ("Division") faced significant financial challenges. That year, the Division faced a major fiscal crisis that required a reduction in the Division's 2003 budget of approximately \$9 million, a 35 percent cut. To address that crisis, the County convened the Metropolitan Parks Task Force to make recommendations on ways to transition the Division to a more stable fiscal future.
2. The Metropolitan Parks Task Force recommended that the County transfer active recreation facilities to cities and focus primarily on providing regional trails and natural lands. Consistent with the Metropolitan Parks Task Force recommendations, all County pools located within cities were transferred to those cities. In addition, the Enumclaw Golf Course was transferred to the City.
3. The Metropolitan Parks Task Force found that: "The fiscal crisis facing the County demands a much stricter approach to selecting what services the County will and will not provide. The County parks system can no longer afford to be all things to all people." As a result the Metropolitan Parks Task Force concluded that the County must "limit its involvement in providing local recreation services, particularly within cities."
4. The Metropolitan Parks Task Force further found that: "The provision of active recreation services and programming must be fundamentally changed, moving away from the County's operation of facilities and programs toward developing new partnerships and finding alternative service providers that can meet public needs, but at less or no ongoing taxpayer expense related to the maintenance of such facilities." (Emphasis in original.)
5. In January of 2007, to support the City's efforts to develop a first-class equestrian facility in the City and to reduce the County's ongoing expenses related to the King County Fairgrounds, the County transferred the Fairgrounds to the City without charge in a transaction that also provided the City with \$2 million in cash. In connection with the transfer, the City and the County executed a 10-year lease ("the Lease") which permitted the County to hold the King County Fair ("Fair") at the Fairgrounds. The former Fairgrounds facility is now known as the Enumclaw Exposition Center. In 2007 and 2008, the County held the Fair at the Enumclaw Exposition Center pursuant to the Lease.

6. The County operates the Fair pursuant to chapter 36.37 RCW. The Fair provides important educational and recreational opportunities for youth and generates significant revenue for the City and its businesses. However, with the transition of the Division away from the provision of recreational programs, the Fair is one of the last remaining recreation programs that the County continues to operate.
7. The Enumclaw Exposition Center is the centerpiece of the City's efforts to promote equestrian tourism in the City. The City is working to develop the Enumclaw Exposition Center into a major equestrian facility to provide additional tourism revenue to the City and its residents and businesses. Studies that the City has conducted have indicated that the Enumclaw Exposition Center should serve as a multi-purpose facility hosting other major events in addition to equestrian shows and competitions.
8. The County's continuing fiscal challenges have limited the resources the County can contribute to the Fair. Despite declining attendance, the Fair remains one of the largest annual events at the Enumclaw Exposition Center.
9. The County faced another major fiscal crisis for 2009 with an estimated revenue shortfall of more than \$90 million. This unprecedented shortfall required reductions in services throughout County government. As a result, the King County Fair was not included in the King County Executive's proposed 2009 budget.
10. The King County Council restored the King County Fair in the 2009 County budget with "one-time" funding. However, without additional revenue, the County expects to face even greater shortfalls in future years. As part of the 2009 budget, the Council also directed the County Executive to appoint a task force to provide recommendations on ways to make the Fair sustainable.
11. Given future County financial projections, it does not appear that the County can continue to produce the Fair. However, the City has expressed an interest in producing the Fair in 2009 as a way to continue the Fair in 2009, while the task force recommendations are developed.
12. It is in the best interests of the public, the County, and the City for the Fair to continue at the Enumclaw Exposition Center, and the City has had significant success in operating the Enumclaw Exposition Center, including increased rentals and facility enhancements.
13. In RCW 36.37.040, state law authorizes the County Council to employ "persons" to assist in the management of fairs or to designate a nonprofit corporation as the exclusive agency to operate and manage such fairs. Pursuant to RCW 1.16.080(1) and Wash. Const. Art. XI §10, the City is a "person" and a not-for-profit municipal corporation under state law.
14. In RCW 36.01.010, state statute authorizes the County to make such contracts as may be necessary to the exercise of its corporate or administrative powers.

15. As a code city organized under RCW Title 35A, the City has all of the powers and authority afforded a municipal corporation under Washington State law, including the power to contract, the power to enter into interlocal agreements under RCW Chapter 39.34, and the power to operate recreational programs and facilities for benefit of the public.
16. King County Charter ("the Charter") Article 1, Section 120, authorizes the County, in the exercise of its powers and the performance of its functions and services, to agree by contract to participate jointly in or in cooperation with any one or more other governments, and to share the costs and responsibilities of such powers, functions, and services.
17. The Interlocal Cooperation Act, Chapter 39.34 RCW, authorizes local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs and development of local communities.
18. Pursuant to and consistent with RCW Chapter 39.34, RCW Chapter 36.37, RCW Title 35A, the Charter, and the Code, the County and the City agree that the Lease is terminated, and that the City will operate, conduct and manage the King County Fair at the Enumclaw Exposition Center in 2009, subject to and consistent with the following terms and conditions:

TERMS AND CONDITIONS

1.0 County's Rights and Responsibilities.

- 1.1 **Funding Amount and Purpose.** The County will pay the City three hundred eleven thousand two hundred and three dollars (\$311,203.00) from appropriated funds in the County's Parks and Recreation Division Budget, Project No. 460294 to be used solely for the purpose of supporting the City's management, maintenance, repairs, and production of the Fair at the Enumclaw Exposition Center in 2009.
- 1.2 **Timing of Payment.** The County will pay to the City a lump sum payment of three hundred eleven thousand two hundred and three dollars (\$311,203.00) within thirty (30) days of the date that the City and County have executed this Agreement.
- 1.3 **Method of Payment.** The County shall make the payment to the City in accordance with instructions from the City.
- 1.4 **County Leasehold Interest in Exposition Center Terminated.** The City and the County agree that effective upon the date that the City executes this Agreement, that certain Lease, styled as the "Lease Agreement Between the City of Enumclaw and King County," and dated December 12, 2006, is hereby terminated, consistent with and pursuant to Section 8.2 of the Lease and this Section 1.4.

- 1.5 **City to Retain State Funding.** The parties acknowledge that in prior years, the State of Washington has contributed approximately thirty seven thousand dollars (\$37,000) towards the annual operation and management of the King County Fair. The County agrees that in any year in which the City manages and operates the Fair, the City may receive and keep any such contribution(s) by the State of Washington. The City shall prepare and submit any necessary documentation to the State in connection with the State funding.
- 1.6 **County Staff Support.** Upon request, within reason, and subject to budget limitations, including furloughs, during the term of this Agreement the County will make its staff available during regular business hours to consult with the City regarding Fair operations and practices.
- 1.7 **County to Provide Administrative Materials Without Charge.** Within sixty (60) days of the date that the City executes this Agreement, and to the extent permitted by law or preexisting contractual obligations, the County will provide to the City all files and templates, vendor and employee lists, marketing materials, and other administrative materials relating to the Fair, which shall become the property of the City. PROVIDED, that nothing in this Section 1.7 shall require the County to breach, terminate, or otherwise violate any software agreements or other intellectual property licenses that it may hold in connection with Fair-related administrative materials.
- 1.8 **Fair-related Personal Property and Logo/Slogan License.** Within sixty (60) days after the date that the City executes this Agreement, the County may execute a Bill of Sale to transfer to the City all personal property owned by the County and used primarily or exclusively for the Fair. Such property shall be transferred without charge and free and clear of all liens and encumbrances; and such property shall become the property of the City. In addition, for the term of this Agreement, the County hereby grants to the City a non-exclusive license to use the phrase "King County Fair" and the King County Fair logo.
- 2.0 **City's Rights and Responsibilities.** In exchange for the payment from the State of Washington and the County's financial support for the Fair and other duties outlined in Article 1 of this Agreement, the City shall have the following rights and responsibilities.
- 2.1 **Fair Management and Production.** During the term of this Agreement, the City shall have the sole and exclusive right, duty and obligation to manage and produce the Fair, consistent with this Agreement. As such, the City shall be entitled to make all decisions regarding the management and operation of the Fair, including, without limitation, the selection of any theme, time of year, vendors, concessionaires, entertainment, and all other aspects of the Fair. Notwithstanding the foregoing, the City shall provide suitable competitions for 4-H and Future Farmers of America ("FFA"), sufficient to allow 4-H and FFA participants to compete in State competitions at the Puyallup Fair. In addition, the City and its vendors, contractors and subcontractors shall refer to the Fair as "The King County Fair – produced by the City of Enumclaw" in all public communications, including marketing materials.

- 2.2. Public Access. The City agrees that the Fair shall be open to the public and operated to provide recreation and education opportunities. PROVIDED, that nothing in this Section 2.2 is intended to preclude the City from charging a reasonable admission fee for the Fair or for entertainment or special events or services in conjunction with the Fair, all pursuant to Section 2.4.
- 2.3 County Resident Access. The City covenants that it will not limit or restrict access to or use of the Fair by County residents in any way that does not also apply to City residents.
- 2.4 Fair Revenue and Expenditures. The City shall set all charges or fees that are imposed to recover Fair expenses, including without limitation, fees from attendees, vendors, sponsors, concessionaires, and others. As between the City and the County, the City shall be solely and fully responsible for any and all Fair-related expenses, and therefore the City shall retain all revenues collected from or in connection with the Fair. Consistent with this Agreement, any profit attributable to the Fair, including payments from the County or the State addressed under Article 1 of this Agreement, shall be the sole property of the City.
- 2.5 Vendor and Concessionaire Contracts. Subject to Section 4.1.5 of this Agreement, the City shall negotiate and enter into all contracts, licenses, or other agreements related to the Fair in the name of the City, including without limitation, contracts with vendors, sponsors, concessionaires, carnival operators, and other contracts related to the Fair. The County shall provide the City with copies of applicable contracts.
- 2.6 Safety. As between the City and the County, the City shall have the sole right and obligation to provide security and emergency medical aid forces for, during, and in connection with the Fair.
- 3.0 Insurance.**
- 3.1 Insurance Requirements. As of the date the City executes this Agreement, the City must have insurance coverage in place in the amounts and the form specified in this Article 3.
- 3.2. Scope of Insurance. The City's minimum insurance coverage shall be at least as broad as:
- 3.2.1. Insurance Services Office form number CG-00-01 (Ed. 11-88 or a more recent edition) covering commercial general liability;
- 3.2.2. Insurance Services Office form number CA-00-01 (ED. 12-90 or a more recent edition), covering automobile liability symbol (1), any auto; and
- 3.2.3. Industrial insurance as required by applicable federal, state, and local laws, and stop gap or employer's liability insurance.

- 3.3. Minimum Insurance Limits. The City shall obtain policies for the following initial minimum insurance limits:
- 3.3.1. Commercial General Liability: \$1,000,000.00 combined single limit per occurrence for bodily injury, personal injury, and property damage; and for those policies with aggregate limits, a \$2,000,000.00 aggregate limit;
- 3.3.2. Automobile Liability: \$1,000,000.00 combined single limit per accident for bodily injury and property damage; and
- 3.3.3. Statutory Workers Compensation and Stop Gap or Employer's Liability: \$1,000,000.00.
- 3.3.4. Liquor Legal: If Liquor is to be sold or served at the Fair, then One Million Dollars (\$1,000,000) per Occurrence and in the Aggregate is required.
- 3.4. Deductibles and Self-insured Retentions. Any deductibles or self-insured retentions must be declared to the County. The deductible and/or self-insured retentions of the policies shall not, in any way, limit or apply to the City's liability to the County and shall be the sole responsibility of the City.
- 3.5. Reserved.
- 3.6. Acceptability of Insurers. The City's selection of insurance carriers to provide insurance under this Agreement is subject to the approval of the County.
- 3.7. Verification of Coverage. Upon request, the City shall furnish the County with certificates of insurance and endorsements required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City hereby warrants that its insurance policies satisfy the requirements of this Agreement.
- 3.8. Self-Insurance. If the City is self-insured for any of the insurance requirements specified in this Article 3, then the City shall provide a certificate of self-insurance to the County when the City executes this Agreement. The certificate will be attached to this Agreement as Exhibit A and incorporated into this Agreement by this reference.
- 3.9. Mutual Release and Waiver. To the extent a property damage loss is covered by insurance in force, the County and the City hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under applicable insurance policies, to the extent loss is paid; PROVIDED, that this Section 3.9 shall be inapplicable if it would have the effect of invalidating any insurance coverage of the County or the City.

- 3.10 City to Assess Own Risks. By requiring such minimum insurance as specified herein, neither party is deemed to, or construed to, have assessed the risks that may be applicable to the other party to this Agreement. The City will assess its own risks and, if it deems appropriate or prudent, or both, maintain greater limits or broader coverage.
- 3.11 Survival of City's Insurance Duties. The City's duties and obligations under this Article 3 shall survive the expiration or earlier termination of this Agreement.

4.0 Indemnification.

- 4.1 Scope of Indemnification. The City, on behalf of itself, its successors, and assigns, agrees to defend, indemnify, and hold harmless King County, its appointed and elected officials, and employees, from and against liability for all claims, demands, suits, and judgments, including costs of defense thereof, for injury to persons, death, or property damage which is caused by, arises out of, or is incidental to any use of or occurrence on, in, or at the Fair or in connection with the Fair. The City's obligations under this Article 4 include, but are not limited to:
- 4.1.1. The duty to promptly accept tender of defense and provide defense to the County at the City's own expense;
 - 4.1.2. Indemnification of claims made by the City's employees, contractors, or agents; and
 - 4.1.3. Waiver of the City's immunity under the industrial insurance provisions of Title 51 RCW, but only to the extent necessary to indemnify King County, which waiver has been expressly and specifically negotiated by mutual agreement of the parties.
 - 4.1.4. If the County incurs any judgment, award and/or cost arising from this Agreement, including attorneys' fees to enforce the provisions of this article, then all such fees, expenses, and costs shall be recoverable from the City.
 - 4.1.5. A hold harmless provision to protect the County similar to this provision shall be included in all contracts or subcontracts entered into by the City in conjunction with the Fair.
- 4.2 Applicability of RCW 4.24.115. If RCW 4.24.115 applies to this Agreement, then the City agrees to protect, defend, indemnify and save the County, its officers, officials, employees and agents from any and all claims, demands, suits, penalties, losses damages judgments, or costs of any kind whatsoever for bodily injury to persons or damage to property (hereinafter "claims"), arising out of or in any way resulting from the City's officers, employees or agents, acts or omissions, performance or failure to perform the rights and privileges granted under this Agreement, to the maximum extent permitted by law or as defined by RCW 4.24.115, now enacted or as hereafter amended.

4.3 Environmental Hazards.

4.3.1. The City hereby agrees to indemnify, defend, and hold harmless, and to waive, release and discharge the County from any and all present or future claims or demands, and any and all damages, Losses, injuries, liabilities, causes of actions (including, without limitation, causes of action in tort) costs and expenses (including, without limitation, fines, penalties or judgments, and attorneys' fees) of any and every kind or character, known or unknown, which the City might have asserted or alleged against the County arising from or in any way related to the alleged presence, use, storage, generation, manufacture, transport, release, leak, spill, disposal or other handling of any Hazardous Substances in, on, or at the Enumclaw Exposition Center or in connection with the Fair. In addition, the City shall indemnify, defend and hold the County harmless from and against any Losses arising out of or related to (i) any exacerbation of any condition of the Enumclaw Exposition Center by or through the Fair, and (ii) the cost of any cleanup of the Enumclaw Exposition Center. PROVIDED, however, that nothing in this subsection 4.3.1 is intended to cover Hazardous Substances in existence at the Enumclaw Exposition Center property prior to January 2, 2007 ("pre-transfer Hazardous Substances"). Liability for pre-transfer Hazardous Substances is covered exclusively under the agreement styled, Intergovernmental Land Transfer Agreement Between King County and the City of Enumclaw dated October 23, 2006 and recorded under King County recording number 20070102001341.

4.3.2. The term "Losses" shall include without limitation (a) the cost of any investigation, removal, remedial or other response action that is required by any Environmental Law, that is required by judicial order or by order of or agreement with any governmental authority, or that is necessary or otherwise is reasonable under the circumstances; (b) Losses for injury or death of any person; and (c) Losses arising under any later-enacted Environmental Law. The term "Environmental Law" means any federal, state or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction or common law pertaining in any way to the protection of human health or the environment, including without limitation, the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Toxic Substances Control Act, and any similar or comparable state or local law. The term "Hazardous Substance" as used herein shall mean any hazardous, dangerous or toxic wastes, materials, or substances as defined in state or federal statutes or regulations as currently adopted or hereafter amended, and includes without limitation petroleum oil and any of its fractions.

4.4. Survival of the City's Indemnification Covenants, Obligations and Duties. The City understands, acknowledges and agrees that its covenants, obligations and duties under this Article 4 shall survive the expiration or earlier termination of this Agreement.

5.0 General Terms and Conditions.

- 5.1 **Term.** The term of this Agreement shall commence upon its execution by both parties and shall expire at midnight on December 31, 2009.
- 5.2 **Ownership.** Any fixtures or improvements installed at the Enumclaw Exposition Center under this Agreement will become the property of the City.
- 5.3 **Maintenance and Operation.** The City owns and operates the Enumclaw Exposition Center and provides routine maintenance and repairs there. The County shall not operate the Enumclaw Exposition Center, and shall provide no maintenance or repairs of any kind.
- 5.4 **Utilities and Service.** The City shall provide for all utilities and services to maintain the Enumclaw Exposition Center in a safe condition and to meet its rights and obligations under this Agreement.
- 5.5 **Records, Inspections, and Audits.** The City will keep such full and detailed accounts as may be necessary for proper financial management under this Agreement.
- 5.6 **Assignment.** The parties shall not transfer or assign this Agreement or any part thereof without express written permission from the other party. This prohibition against transferring or assigning shall include any transfer or assignment by operation of law.
- 5.7 **Severability.** If any term of this Agreement is held invalid or unenforceable, the remainder of the Agreement will not be affected but shall continue in full force.
- 5.8 **Termination.** This Agreement may only be terminated upon written mutual agreement between the parties hereto. PROVIDED, that if the parties mutually agree to terminate this Agreement before the end of the Fair in any year, or if the City otherwise fails to produce the Fair during the term or any renewal thereof, then the City shall return to the County all funds paid by the County to the City in relation to that year's Fair, as well as all funds paid to the City by the State of Washington in relation to such Fair.
- 5.9 **Non-waiver.** Failure of the parties to insist upon the strict performance of any term of this Agreement will not constitute a waiver or relinquishment of any party's right to thereafter enforce such term.
- 5.10 **Integration.** This writing contains all terms of this Agreement. It replaces all negotiations and agreements between the parties with respect to the subject matter hereof.
- 5.11 **No Partnership.** Neither of the parties through this Agreement in any way or for any purpose becomes a partner or joint venture of the other in the conduct of their respective business or otherwise.

- 5.12 Compliance with Laws and Regulations. The City shall comply fully with all federal, state, county and city statutes, ordinances and regulations now or hereafter in force and applicable to the Enumclaw Exposition Center, the Fair, or either of them, including, to the extent applicable, those related to “public works,” payment of prevailing wages, and competitive bidding of contracts.
- 5.13 Representatives. The City and the County shall each identify to the other, in writing, a designee authorized to conduct day-to-day communications relating to this Agreement.

The County's designated representative for this agreement is:

Tom Koney
Assistant Division Director
King County Parks and Recreation Division
Mail Stop – KSC-NR-0700
201 South Jackson Street, Suite 700
Seattle, WA 98104-3855
206.263.6229
thomas.koney@kingcounty.gov

The City's designated representative for this Agreement is:

Larry Fetter
Parks and Recreation Director
c/o Enumclaw City Hall
1339 Griffin Avenue
Enumclaw, WA 98022
360.802.0236
larryfetter@ci.enumclaw.wa.us

- 5.14 Dispute Resolution. In the event any dispute regarding this Agreement cannot be resolved by informal methods, then prior to commencing litigation or taking any administrative action, the aggrieved party shall notify the other in writing of the particulars of the grievance, and the other party shall reply in writing within ten (10) working days, setting forth its position and stating what, if any, action it will take with respect to the grievance. The aggrieved party shall respond in writing, indicating its satisfaction or dissatisfaction, as the case may be; in the event the aggrieved party is dissatisfied, the parties shall then meet in person and confer in good faith to resolve their differences before litigation is commenced. PROVIDED, that if a dispute arises during the fourteen (14)-day period immediately prior to the Fair, or during the Fair itself, then the parties shall use all reasonable methods to resolve the dispute as quickly as possible, in order that the Fair be conducted and completed on time and in a satisfactory manner.

- 5.15 **Notice.** All notices under this Agreement shall be in writing and delivered in person or sent by registered or certified mail, postage prepaid, or by facsimile, or by private overnight courier to the City and to the County at their respective addresses set forth below or such other addresses as may from time to time be designated by any such party in writing. Notices mailed as provided in this Section 5.15 shall be deemed given and received on the date that is three (3) business days following the date of post mark, in the case of mailing, or the date of transmission confirmation by the sender's facsimile machine, in the case of facsimile transmission, or one (1) day after deposit with a private overnight courier.

CITY OF ENUMCLAW

Mark Bauer
City Administrator
City of Enumclaw
1339 Griffin Avenue
Enumclaw, WA 98022
360.802.6281
MarkBauer@ci.enumclaw.wa.us

KING COUNTY

Kevin Brown, Director
King County Parks and Recreation Division
201 S. Jackson St, Ste 700
Seattle, WA 98104-3855
206-296-8631
kevin.brown@kingcounty.gov

A party may change its address for purposes of receiving notices by giving notice of such change to the addresses identified above.

- 5.16 **No Third Party Rights.** Nothing in this Agreement shall create any right, duty, or cause of action in any third party.
- 5.17 **Choice of Law; Venue.** This Agreement shall be governed by the law of the State of Washington. Any litigation between the parties in connection with this Agreement shall be heard in the Superior Court in and for King County, Washington.
- 5.18. **Police Powers Not Affected.** Nothing in this Agreement shall affect, or be construed to affect, the governmental or police powers of the City of Enumclaw or of King County.
- 5.19. **Headings Not Material.** The article and section headings contained herein are only for convenience and reference and are not intended to be a part of this Agreement or in any manner to define, limit, or describe the scope or intent of this Agreement or the particular articles or sections to which they refer.

- 5.20 Neutral Authorship. Each party has been represented by counsel in connection with the negotiation, execution and delivery of this Agreement and its Attachments. Each of the provisions of this Agreement has been reviewed and negotiated, and represents the combined work product of both parties hereto. No presumption or other rules of construction which would interpret the provisions of this Agreement in favor of or against the party preparing the same will apply in connection with the construction or interpretation of any of the provisions of this Agreement or its Attachments.
- 5.21 Amendments and Task Force Recommendations. No provision of this Agreement may be amended or modified except by written agreement signed by both parties. The parties acknowledge the pending formation of a task force to make recommendations on Fair operations and may determine to amend this Agreement based on those recommendations.
- 5.22 Authority. Each individual executing this Agreement on behalf of the City or the County represents and warrants that he or she is duly authorized to execute and deliver the Agreement on behalf of the City or the County.
- 5.23 Recording. Immediately after both parties have executed this Agreement, the County shall cause it to be recorded or, alternatively, listed by subject on the County's web site or other electronically retrievable public source, all pursuant to RCW 39.34.040.

CITY OF ENUMCLAW:

Signature – John Wise, Mayor

Date

Approved as to Form:
CITY ATTORNEY

KING COUNTY:

Signature – Ron Sims, King County
Executive

Date

Approved as to Form:
OFFICE OF THE KING COUNTY
PROSECUTING ATTORNEY

Exhibits:

- A. City's Self-Insurance Certificate (if applicable)

FISCAL NOTE

Ordinance/Motion No.: 2009-XXXX

Title: 2009 King County Fair Agreement with the City of Enumclaw

Affected Agency and/or Agencies: Parks and Recreation Division, Department of Natural Resources and Parks

Note Prepared By: Jerry M Hughs

Note Reviewed By: Mark Yango

Impact of the above legislation on the fiscal affairs of King County is estimated to be:

Revenue to:

Fund/Agency	Fund Code	Revenue Source	2009	2010	2011	2012
Parks Levy Fund/Parks	1451	Levy	0	0	0	0
TOTAL			0	0	0	0

Expenditures from:

Fund/Agency	Fund Code	Department	2009	2010	2011	2012
Parks Levy Fund/Parks	1451	DNRP	311,203	0	0	0
TOTAL			311,203	0	0	0

Expenditures by Categories

	2009	2010	2011	2012
Salaries & Benefits	0	0	0	0
Services and Other Charges	311,203	0	0	0
Capital Outlay	0	0	0	0
TOTAL	311,203	0	0	0

Assumptions:

In this fiscal note, the City of Enumclaw is assumed to take full responsibility for operating the 2009 King County Fair. Expenditures are budgeted for operation of the Fair; this action would not increase County cost.


King County

Ron Sims
 King County Executive
 701 Fifth Avenue, Suite 3210
 Seattle, WA 98104
206-296-4040 Fax 206-296-0194
 TTY Relay: 711
 www.kingcounty.gov

RECEIVED
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 CLERK
 KING COUNTY COUNCIL

January 28, 2009

The Honorable Dow Constantine
 Chair, King County Council
 Room 1200
 COURTHOUSE

2009-077

Dear Councilmember Constantine:

I am pleased to transmit to the King County Council an ordinance that will continue the King County Fair in 2009 under the local control of the City of Enumclaw (City).

The ordinance authorizes an agreement that allows the City of Enumclaw to manage and operate the King County Fair in 2009. The county will support those efforts by providing the City with the full amount appropriated for the Fair in the 2009 County budget. The agreement will allow the Fair to benefit from the City's extensive local connections that have contributed to the success of its ownership and management of the Enumclaw Exposition Center, formerly the King County Fairgrounds.

King County transferred the Fairgrounds to the City in January, 2007. Now known as the Enumclaw Exposition Center, the former fairgrounds property is the centerpiece of the City's efforts to develop a first-class equestrian facility on the site to generate additional tourism in the City. Studies that the City has conducted in connection with the development of the equestrian facility have indicated that the Enumclaw Exposition Center should be a multi-use facility that hosts a variety of events. Currently, the King County Fair is one of the largest events at the Enumclaw Exposition Center and generates significant revenue for the City and its businesses.

The agreement also recognizes the pending formation of the Fair Task Force, in accordance with Motion 12889. The term of the agreement is for one year. This structure provides the flexibility to allow any entity that manages the Fair in the future to benefit from the recommendations of the Fair Task Force.

The ordinance also makes certain technical code changes to facilitate the agreement with the City. The ordinance repeals provisions regarding the King County Fairgrounds board, which are now obsolete because of the transfer of the Fairgrounds to the City and because of Motion 12899 to create a separate Fair Task Force. The ordinance also repeals a provision of the code that could potentially be interpreted to require the county Department of Natural Resources and Parks to manage the Fair.

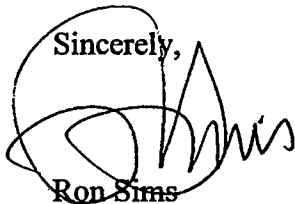
This agreement is consistent with the county Parks and Recreation Division Business Transition Plan developed in connection with the county's fiscal crisis in 2002. The Plan stated: "The fiscal crisis facing the county demands a much stricter approach to selecting what services the county will and will not provide. The county parks system can no longer afford to be all things to all people." The report concluded that the county must "limit its involvement in providing local recreation services, particularly within cities."

The Business Transition Plan, developed by the Metropolitan Parks Task Force, further found that: "The provision of active recreation services and programming must be fundamentally changed, moving away from the county's operation of facilities and programs toward developing new partnerships and finding alternative service providers that can meet public needs, but at less or no ongoing taxpayer expense related to the maintenance of such facilities."

The Fair is a long-standing event that provides important educational and recreational opportunities for youth and generates significant revenue for the City and its businesses. However, with the transition of the King County Parks and Recreation Division away from the provision of recreational programs, the Fair is one of the last remaining recreation programs that the county has continued to operate. I believe this agreement will benefit both parties and is an important step toward increasing the Fair's attendance and fiscal stability. I understand that the City also supports the agreement, and I strongly urge the Council to pass the enclosed ordinance to allow the agreement to proceed.

If you have any questions about this ordinance, please feel free to contact Kevin Brown, Director in the Parks and Recreation Division of the Department of Natural Resources and Parks, at 206-296-8631.

Sincerely,



Ron Sims
King County Executive

Enclosures

cc: King County Councilmembers
ATTN: Tom Bristow, Interim Chief of Staff
Saroja Reddy, Policy Staff Director
Anne Noris, Clerk of the Council
Frank Abe, Communications Director
Bob Cowan, Director, Office of Management and Budget
Theresa Jennings, Director, Department of Natural Resources and Parks (DNRP)
Kevin Brown, Division Director, Parks and Recreation Division, DNRP
Grover Cleveland, Business Development Manager, DNRP

Fiscal Note, dated 2/11/09

Ordinance/Motion No.: 2009-XXXX
 Title: 2009 King County Fair Agreement with the City of Enumclaw
 Affected Agency and/or Agencies: Parks and Recreation Division, Department of Natural Resources and Parks
 Note Prepared By: Jerry M Hughs and revised by Marilyn Cope
 Note Reviewed By: Mark Yango

Impact of the above legislation on the fiscal affairs of King County is estimated to be:

Revenue to:

Fund/Agency	Fund Code	Revenue Source	2009	2010	2011	2012
Parks Levy Fund/Parks General Fund	1451	General Fund	0	0	0	0
TOTAL			0	0	0	0

Expenditures from:

Fund/Agency	Fund Code	Department	2009	2010	2011	2012
Parks Levy Fund/Parks	1451	DNRP	311,203	0	0	0
TOTAL			311,203	0	0	0

Expenditures by Categories

	2009	2010	2011	2012
Salaries & Benefits	0	0	0	0
Services and Other Charges	311,203	0	0	0
Capital Outlay	0	0	0	0
TOTAL		311,203	0	0

Assumptions:

*In this fiscal note, the City of Enumclaw is assumed to take full responsibility for operating the 2009 King County Fair. Expenditures are budgeted for operation of the Fair; this action would not increase County cost.

*The \$311,203 is to be derived from General Funds as transferred to the Parks Division 2009 Adopted Budget for the support of the Fair in 2009.